



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah Department of Commerce

Division of Securities

FRANCINE A. GIANI
Executive Director

THAD LEVAR
Deputy Director

WAYNE KLEIN
Director of Securities

NEWS RELEASE

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Cease and Desist Proceedings Initiated Against Promoters of Mortgage Loan Scheme ***Investors were told their money was guaranteed to earn 20%, but lost \$40,000 ...***

SALT LAKE CITY, Utah – Three companies and their managers were accused of illegally taking \$55,000 in investments from three members of a family. The promoters claimed the money would be used to place kiosks in shopping malls to generate leads for mortgage loans and loan refinancing. The investors were promised 20% return and told the investment was guaranteed and had no risk. One of the investors was later persuaded to also invest in a company that would sell kits for making “inkless fingerprints.”

The three companies named in the Order to Show Cause issued by the Utah Division of Securities are American Mortgage Alliance, Inc, National Mortgage Alliance, LLC, and Real-Prints, Inc. All three companies have permitted their corporate charters to expire. Also named in the Order to Show Cause are the managers of the companies: Robert M. Fain, of Cottonwood Heights, Daron W. LeBlanc, of Orem, and Antonius (Tony) M. Versteeg, of Sandy.

According to the Division, Leblanc solicited one of the investors, a co-worker, in May 2002. LeBlanc showed the investor a spreadsheet for American Mortgage Alliance (AMA) and said the company would generate a profit. When the investor said he did not have money to invest, LeBlanc helped the investor get a second mortgage on his home. The investor was later encouraged to increase the line of credit on his home loan. His parents also were encouraged to invest. One family member was later convinced to invest an additional \$15,000 in an inkless fingerprinting business as a means of recouping her losses on the mortgage investment.

The investors were not told that Fain had been charged with securities fraud in 1996 and had been ordered to pay \$308,850 in restitution in that case, that LeBlanc and Versteed also had been sued and had judgments filed against them.

The Order to Show Cause alleges sales of unregistered securities, sales by unlicensed agents, and the use of fraudulent practices when selling securities. The Division is seeking an order requiring them to cease and desist violating the law and imposing fines of \$360,000. A hearing has been set for July 10 to allow the companies and individuals to contest the State’s allegations.

The Division’s administrative proceedings follow criminal charges that were filed on May 10 against Fain, LeBlanc, and Versteeg.